



**JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY (JEFO)
MULTIPLE DELIVERY/TASK ORDER CONTRACTS
FAR SUBPART 16.5**

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| <p>I recommend the use of limited awardees for the acquisition of the following supplies or services available under an indefinite-delivery contract. If this acquisition is to be made with only one awardee or a limited number of awardees, negotiations will be conducted with the indicated proposed supplier(s) in accordance with FAR 16.505 (b)(2)(ii)(B):</p> | | | |
| <p>1. IDENTIFICATION OF THE AGENCY AND THE CONTRACTING ACTIVITY: The Internal Revenue Service (IRS), Office of BEP Acquisitions, purchasing for The Bureau of Engraving & Printing (BEP), Office of the Chief Information Officer (CIO)</p> | | | |
| <p>2. NATURE AND/OR DESCRIPTION OF THE ACTION BEING APPROVED: Sole source IDIQ award against TIRNO-11-D-00016.</p> | | | |
| <p>3. DESCRIPTION OF SUPPLIES OR SERVICES</p> <p>The Bureau of Engraving & Printing (BEP), Office of the Chief Information Officer (CIO) requires the purchase of Design, Build, Test, Change Management and Deployment services for Releases 8 & 9 of the Manufacturing Execution Console (MEC) for the BEP Enterprise Network (BEN).</p> <p>Period of Performance: One 12-month period from November 26, 2014 to November 25, 2015.</p> | | | |
| <p>4. REQUISITION NO.</p> <p>112683</p> | <p>5. NAME(S) OF PROPOSED SOURCE(S)</p> <p>Deloitte Consulting, LLP 1725 Duke Street Alexandria, VA 22314-3456 TIRNO-11-D-00016 (IDIQ)</p> | | |
| <p>6. COST ESTIMATE</p> <div style="background-color: black; width: 100px; height: 20px;"></div> | | | |
| REQUIRING OFFICE CERTIFICATION | | | |
| <p>I certify that the attached justification is accurate, and contains complete data necessary to support the recommendation for only one or limited awardees justification and approval.</p> | | | |
| <p>7. TECHNICAL/REQUIREMENT PERSONNEL (Name and Title)</p> | <p>(Signature)</p> <div style="border: 1px solid red; width: 100px; height: 20px; margin-top: 10px;"></div> | <p>(Phone No.)</p> | <p>(Date)</p> |
| | | | |

| SMALL BUSINESS CERTIFICATION | | | |
|--|---|--------------|----------|
| I have reviewed the awardee list to locate small businesses for this procurement. If any were found, a list is attached. | | | |
| 8. SMALL BUSINESS SPECIALIST (Name and Title) | (Signature) | (Phone No.) | (Date) |
| LaTonya Richardson Small Business Specialist (IRS) |  | 240-613-8311 | 10/29/14 |
| PROCUREMENT OFFICE CERTIFICATION | | | |
| I certify that this submission is accurate and complete to the best of my knowledge and belief. This signature will serve as approval unless action exceeds \$650K. Approval constitutes written determination that one of the circumstances allowing for Exception to Fair Opportunity (FAR 16.505(b)(2)(i)(A) through (E)) applies to the order. | | | |
| 9. ASSIGNED CONTRACTING OFFICER (Name) | (Signature) | (Phone No.) | (Date) |
| Alan J. Monico Jr. IRS: BEP IT Acquisition Branch |  <small>Digitally signed by Alan J. Monico Jr. DN: c=US, o=U.S. Government, ou=Department of the Treasury, ou=Internal Revenue Service, ou=People, serialNumber=MO4841, cn=Alan J. Monico Jr. Date: 2014.10.27 12:21:55 -04'00'</small> | 240-613-8253 | |
| Before requesting this procurement, state one statutory authority for this procurement to be conducted under "exception to fair opportunity" procedures. Provide narrative justification associated with the respective stated authority in block number 15. | | | |
| STATUTORY AUTHORITY EXCEPTIONS (FAR 16.505 (b)(2)(i)) | | | |
| (place an "X" in appropriate box and complete the rest of the form) | | | |
| 10. | FAR 16.505 (b) (2) (i) (A) – Need is so urgent that providing fair opportunity would result in unacceptable delays. | | |
| X 11. | FAR 16.505 (b) (2) (i) (B) – Only one awardee is capable of providing the supplies/services required at the level of quality required because they are unique or highly specialized; or brand name specification FAR 16.505 (a) (4). | | |
| 12. | FAR 16.505 (b) (2) (i) (C) – The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order. | | |
| 13. | FAR 16.505 (b) (2) (i) (D) – It is necessary to place an order to satisfy a minimum guarantee. | | |
| 14. | FAR 16.505 (b) (2) (i) (E) – A statute expressly authorizes or requires that the purchase be made from a specified source (for orders exceeding the SAT). | | |

15. JUSTIFICATION (ADD PAGES IF NEEDED)

A. DEMONSTRATION THAT THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS OR THE NATURE OF THE ACQUISITION REQUIRES USE OF THE AUTHORITY CITED.

Deloitte Consulting was responsible for the development of the Manufacturing Execution Console (MEC) and is currently performing MEC services along with several other IT Service requirements as part of the BEP Enterprise Network (BEN) program. Deloitte's experience and knowledge working with the BEN Program dates back to 2009. Most recently, the requirements have been awarded as task orders against the single award BEN BPA vehicle (TEPC13-68058). The BEN BPA is an Indefinite Delivery Vehicle (IDV) awarded against GSA Schedule 70 that handles IT service requirements that relate to the BEN program. The yearly expenditures for these services currently exceed 25 million dollars.

BEP has recently established a new Acquisition Strategy for BEN requirements. The execution of this strategy requires the transitioning of BEN requirements from the single award BPA TEPC13-68058 to competitively awarded task orders against the IRS's Total Information Processing Support Services (TIPSS-4) Multiple Award IDIQ Contracts under the Informational Technology Services (ITS) functional area. This strategy will allow BEP to achieve effective technical and price competition among proven contractors, while utilizing the streamlined award process of TIPSS-4. BEP intends to include the MEC requirement as a task within a larger BEN Task Order competition to maintain the uniformity, compatibility, and integration that is critical between the individual BEN components.

Due to the time and effort required to conduct a competitive action of this size, enough time does not exist to establish a competitively awarded task order for the BEN program requirements.

At this time, only Deloitte Consulting is capable of performing these MEC services due to the specialized background knowledge and experience required to seamlessly integrate the needed MEC releases with the existing BEN Modules, and the time constraints involved. Therefore, a sole source bridge task order is required to allow the continuation of the MEC requirements while a competitive action is conducted.

Failure to implement a 12-month bridge task order for the required MEC services will result in:

1. Disruption in the MEC services would have an adverse impact to the efficiency of the nation's currency manufacturing process.
2. Current tasks are completed, but follow-on work involving building, testing, training and deployment of important releases would remain incomplete.
3. A stoppage of MEC support. Insufficient time exists to thoroughly train or hire additional federal staff before the current MEC task order ends.
4. BEP would lose an important vehicle to carry out its Currency Quality Assurance initiative.

B. DESCRIBE THE EFFORTS TAKEN TO ENSURE OFFERS WERE SOLICITED FROM ALL MULTIPLE-AWARD CONTRACTORS, INCLUDING WHETHER A FAIR NOTICE OF INTENT TO MAKE A PURCHASE (WITH CLEAR DESCRIPTION OF SUPPLIES/SERVICES AND THE BASIS UPON WHICH THE SELECTION WILL BE MADE) WAS/WILL BE PUBLISHED ON THE AGENCY'S WEB PAGE FOR ALL AWARDEES TO SEE AS REQUIRED BY FAR 16.505(b)(1)(iii)(B)(1). STATE "ALL CONTRACTORS RESPONDING TO THE NOTICE OF FAIR OPPORTUNITY CAN SUBMIT AN OFFER AND HAVE THAT OFFER FAIRLY CONSIDERED."

The TIPSS-4 ITS IDIQ has several vendors capable of performing the required MEC development services. However, only Deloitte is capable of performing these MEC services due to the specialized background knowledge and experience required to seamlessly integrate the needed MEC releases with the existing BEN Modules, and the time constraints involved.

C. DETERMINATION THAT THE ANTICIPATED COST TO THE GOVERNMENT WILL BE FAIR AND REASONABLE.

Labor rates for TIPSS-4 contractors have been established and determined fair and reasonable at the IDIQ contract level. Additional diligence will be taken by the Contracting Officer, which will include a comparison of proposed rates to historical rates and established GSA schedule rates. The proposed hours will also be evaluated against the hours estimated by the Program Office in the Independent Government Cost Estimate (IGCE) to ensure the overall price is fair and reasonable.

D. DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG ALL AWARDEES AND THE RESULTS OF THE RESEARCH (E.G., HISTORICAL ORDERING INFORMATION, LIST AWARDEES THAT EXPRESSED AN INTEREST IN WRITING IN THE ORDER AND THE RESULTS OF THAT INTEREST).

No market research was conducted for this requirement for the bridge task order as Deloitte is the only company who can provide the required services for the time period specified while a competitive acquisition is being processed. At the conclusion of this bridge task order, there are several large integrators under the IRS TIPSS 4 contract capable of providing the required services. BEP intends to include the MEC requirement as a task within a larger BEN Task Order competition under the TIPSS-4 ITS IDIQ to maintain the uniformity, compatibility, and integration that is critical between the individual BEN components. For this bridge requirement, no other companies submitted an interest, in writing, in the order.

E. DESCRIBE ANY OTHER FACTS TO SUPPORT THE JUSTIFICATION.

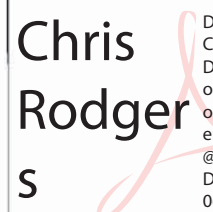
A Performance Work Statement (PWS) and Independent Government Cost Estimate (IGCE) have been developed and support this justification.

F. LIST THE ACTIONS, IF ANY, THAT THE BUREAU WILL TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE EXCEPTION TO FAIR OPPORTUNITY BEFORE ANY SUBSEQUENT ACQUISITIONS FOR SIMILAR SUPPLIES OR SERVICES.

This bridge will allow BEP to eliminate current barriers that are preventing competition. At the conclusion of this task order, a competitively awarded task order containing this requirement will have been awarded. All subsequent acquisitions for similar services will also be competitively awarded.

G. STATEMENT THAT REQUIREMENT DOES NOT RESULT FROM A LACK OF PLANNING OR THE EXPIRATION OF FUNDS.

This requirement does not result from a lack of planning or the expiration of funds. The program office was aware of the requirement in July 2014 and submitted the request in a timely manner, before the expiration of funds.

| ADDITIONAL APPROVALS | | | | |
|---|---|--|---|-----------------------------|
| Approval constitutes written determination that one of the circumstances allowing for Exception to Fair Opportunity (FAR 16.505(b)(2)(i)(A) through (E)) applies to the order. | | | | |
| OVER \$650,000 | 16. BUREAU COMPETITION ADVOCATE (Name & Title) CHRISTOPHER B. RODGERS Director, Strategic Acquisition Initiatives | <input checked="" type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE | (Signature) Chris Rodgers s  Digitally signed by Chris Rodgers DN: cn=Chris Rodgers, o=SAI, ou=Procurement, email=chris.b.rodgers @irs.gov, c=US Date: 2014.10.30 06:36:39 -04'00' | (Phone No.) 240-613-8319 |
| | | | | (Date) |
| OVER \$12.5 MILLION | 17. HEAD OF THE CONTRACTING ACTIVITY (Name & Title) | <input type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE | (Signature) | (Phone No.) |
| | | | | (Date) |
| OVER \$62.5 MILLION | 18. SENIOR PROCUREMENT EXECUTIVE (Name & Title) | <input type="checkbox"/> APPROVE <input type="checkbox"/> DISAPPROVE | (Signature) | (Phone No.) |
| | | | | (Date) |
| NOTE: Each review must be preceded by lower level approval(s), e.g., over \$62.5 million all approvals are required. IN NO CASE WILL AN INDIVIDUAL SIGN MORE THAN ONE APPROVAL LEVEL. | | | | |

CONTROL NO. FO 2015-01